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Appendix I.

[Vide item II (1) on page 70 supra.]

A Bill further to amend the Madras Entertainments Tax Act, 1939, *as passed by the Assembly* (*L.A. Bill No.* 28 *of* 1947).

Whereas it is expedient further to amend the Madras Entertainments Tax Act, 1939, for the purposes hereinafter appearing; It is hereby enacted as follows:— Madras Act X of 1939.

Short title and commencement.

1. (1) This Act may be called the Madras Entertainments Tax (Amendment) Act, 1947.

(2) It shall come into force on such date as the Provincial Government may, by notification in the *Fort St. George Gazette*, appoint.

Amendment of section 3, Madras Act X of 1939.

2. In section 3 of the Madras Entertainments Tax Act, 1939 (hereinafter referred to as the said Act), for clause (6), the following clause shall be substituted, namely:— Madras Act X of 1939.

" (6) 'local authority' means—

(*a*) in the City of Madras, the Corporation of Madras;

(*b*) in any other municipal area, the municipal council concerned;

(*c*) in any area in a district as defined in the Madras Local Boards Act, 1920, which is comprised within the jurisdiction of a panchayat, the panchayat concerned; and Madras Act XIV of 1920.

(*d*) in any area in a district defined as aforesaid which is not comprised within the jurisdiction of a panchayat, the district board concerned."

Substitution of new section for section 4, Madras Act X of 1939.

3. For section 4 of the said Act, the following section shall be substituted, namely:—

Tax on payment for admission to entertainments.

" 4. (1) On each payment for admission to any entertainment, there shall be levied and paid to the Provincial Government (except as otherwise expressly provided in this Act), a tax (hereinafter referred to as the entertainments tax) calculated at the following rates, namely:—

	Rate of tax.
Where such payment (inclusive of the amount of the tax)—	
(i) is not more than five annas;	One-fifth of such payment.
(ii) is more than five annas but is not more than one rupee eight annas;	One-fourth of such payment.
(iii) is more than one rupee eight annas.	One-third of such payment.

Provided that in the case of cinematograph exhibitions the tax shall be calculated at the rates specified above on each payment for admission, after excluding from each payment the amount of the tax:

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Provided further that in the case of dramatic and music performances, Indian dances and exhibitions of works of art, manufacture, agricultural products or other articles, or any other exhibitions specified by the Provincial Government by general or special order, the entertainments tax shall be paid on each payment for admission to the entertainment at the following rates, namely :—

	Rate of tax.
Where such payment (inclusive of the amount of the tax)—	
(i) is not more than three rupees ;	One-eighth of such payment.
(ii) is more than three rupees but is not more than five rupees ;	One-fifth of such payment.
(iii) is more than five rupees.	One-third of such payment.

(2) Where the payment for admission to any entertainment (exclusive of the tax in the case of cinematograph exhibitions and inclusive of the tax in all other cases) is less than one rupee, fractions of an anna in the amount of the tax shall be rounded to the nearest quarter of an anna ; and where such payment is one rupee or more, such fractions shall be rounded to the nearest anna, half-an-anna being rounded to the next higher anna."

4. In section 5 of the said Act, clause (*b*), and the brackets and letter '(*a*)' at the commencement and the word 'or' at the end of clause (*a*), shall be omitted. **Amendment of section 5, Madras Act X of 1939.**

5. In section 13 of the said Act, for sub-section (1), the following sub-section shall be substituted, namely :— **Amendment of section 13, Madras Act X of 1939.**

"(1) Ten per cent of the proceeds of the tax collected under this Act every year in respect of entertainments held within the jurisdiction of any local authority shall be credited to the Provincial Government, and the balance of ninety per cent shall be paid to the local authority :

Provided that the Provincial Government may direct that such balance shall be distributed between the local authority aforesaid and any other local authority or authorities in the neighbourhood in such proportions as the Provincial Government may fix.

Explanation.—In this sub-section, 'year' shall mean the financial year."

6. In section 16, sub-section (2), clause (i), of the said Act, the words "on behalf of the Provincial Government" and the words "for the payment of a commission to the local authority for making the collection" shall be omitted. **Amendment of section 16, Madras Act X of 1939.**

Madras Act V of 1945. 7. The Madras Entertainments Tax (Amendment) Act 1945, is hereby repealed. **Repeal.**